

Department of Health and Human Services
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January 10, 2013

To: Senator Dawn Hill, Senate Chair
Representative Margaret R. Rotundo, House Chair
Members of the Joint Standing Committee on Appropriations and Financial Affairs

Senator Margaret M. Craven, Chair Representative Richard R. Farnsworth, Chair Members of the Joint Standing Committee on Health and Human Services

From: Mary C. Mayhew, Commissioner, Department of Health and Human Services

Re: DHHS Response to questions asked by AFA.

Q #1: Adoption Subsidy:

- What is the new per diem rate for State funded adoption assistance and when will the reduction be effective?
- How much are we now spending in total on adoption subsidy? What is the new reduced amount?
- **R:** Parents are reimbursed a negotiated daily adoption subsidy rate at the time of the adoption based on the needs of the family. Currently the negotiated rates range from a low of \$1.71 to the maximum of \$26.25. The proposal will reduce rates by 50% for the 4th quarter resulting, for example, in a family currently receiving \$1.71 per day will be reduced to \$0.86 per day.

The average reduction for all the children is \$11.00 per child. 52% of the children receive \$26.25 and will receive the full 13.12 cut.

The State funded spending for Adoption Subsidy is currently \$11M. The reduction put forward in the curtailment is \$1.4M.

Q #2: Behavioral Health Programs:

• Have costs increased in behavioral health programs?

R: While Medicaid costs in Behavioral Health have increased the SAMHS budget has largely remained flat funded.

• Which programs and services are increasing and why?

R: Emergency Room Services due to the high population of forensic individuals hospitalized in the State Psychiatric Hospital, Community Support Services as those leaving the State Hospital are entitled to this services and there are no limits to the duration of care and Residential Services due to the cost of providing staffing to support individuals with Mental Health and Substance Abuse disorders. Although overall admissions are down for substance abuse services, the waitlist for Medication Assisted Treatment utilization has increased due to prescription drug use/misuse and illicit use of opiates (heroin, etc.)

• Will the curtailment reductions result in cost shifts to other programs or providers?

R: Curtailment reductions will likely result in cost shifts to other programs and providers. Areas that may expect to see the shift include: hospital EDs; public health; corrections/public safety; crisis response; and child welfare.

Q #3: Contract reductions:

- Are we deferring any contract costs to future years?
- R: Curtailment is a reduction in payments to Providers (and therefore costs to DHHS) in FY 13 only. It does not in and of itself move these same dollars to a future period. Curtailment is not designed to, nor does the Department intend to, defer any contract costs to future years.

O #4: Substance Abuse:

- How will the loss of \$360,000 affect the communities being supported by the current SA services?
- **R:** The loss of funding will result in a reduction in availability of services for people and potentially longer waits to enter service across community based substance abuse services.
- *Q #5:* Child and Maternal Health Block Grant:
 - What specific programs/initiatives will be reduced? Will there loss in federal funds?
- **R:** Maine Families Home Visiting programs will be reduced. There will be no reduction of Federal money as a result of the reduction.

Q#6: Wait Lists

• Please provide an update on waiting lists in DHHS programs waiting lists. Does the curtailment negatively impact any of those wait lists?

R:

Office of Aging and Disability Services (OADS)

There are a couple other state funded, self-directed programs that are not included in these numbers.

Program	# on waitlist
ID/DD Waiver- Home and Community Based Services - Section 21	779
ID/DD Support Waiver- Community Services - Section 29	438
Catholic Charities/Homemaker Services	1,315
Waiver- Self-directed Services - Section 22	79

Impact: The curtailment within OADS does not negatively affect any of these programs, other than Homemaker Services. Due to curtailment current service recipients may have a temporary change in their service, which also means that those waiting may be on the waitlist longer.

Office of Child and Family Services (OCFS)

Program	# on waitlist
Home and Community Treatment (HCT) - Section 65	170
Targeted Case Management (TCM) - Section 13.12	111
Rehabilitative and Community Services (RCS) - Section 28	43
Private Non-Medical Intuitions (PNMI) - Section 97	37
Child Care Subsidy	565

Impact: The curtailment put forward from OCFS did not impact any of the waitlist for this office.

Office of Substance Abuse and Mental Health Services (SAMHS)

Program	# on waitlist
Substance Abuse - Ambulatory	520
Substance Abuse - Residential	606
Mental Health – Assertive Community Treatment	14
Mental Health – Community Integration	378
Mental Health - Daily Living Support Services	5

Impact: The agencies will have less funding to provide services for those individuals presenting for treatment who are not eligible for MaineCare or have any other payer source. Wait times may be affected if agencies can no longer staff at their previous levels, thereby affecting access to services.

Cc: Governor Paul R. LePage

Michael Cianchette, Chief Legal Counsel, Governor's Office Kathleen Newman, Deputy Chief of Staff, Governor's Office Sawin Millett, Commissioner, Department of Administrative and Financial Services Shirrin Blaisdell, Acting State Budget Officer, DAFS